

By: Hinojosa

S.B. No. 1197

A BILL TO BE ENTITLED

AN ACT

relating to the habitability of used manufactured homes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1201.452(b), Occupations Code, is amended to read as follows:

(b) If the home does not have the appropriate seal or label, the person must:

(1) apply to the department for a seal; ~~and~~

(2) pay the fee; and

(3) submit to the department a copy of any written disclosure required by Section 1201.455(a).

SECTION 2. Section 1201.453, Occupations Code, is amended to read as follows:

Sec. 1201.453. HABITABILITY. Manufactured housing is habitable only if:

(1) there is no defect or deterioration in or damage to the home that would materially affect the health or safety of an occupant ~~[creates a dangerous situation]~~;

(2) the plumbing, heating, and electrical systems are in safe working order;

(3) the walls, floor, and roof are:

(A) free from an ~~[a substantial]~~ opening that was not designed; and

(B) structurally sound; ~~and~~

1 (4) all exterior doors and windows are in place and in
2 safe working order; and

3 (5) the home complies with any other habitability
4 standards provided by department rule.

5 SECTION 3. Section 1201.455, Occupations Code, is amended
6 to read as follows:

7 Sec. 1201.455. WARRANTY OF HABITABILITY REQUIRED. (a)
8 Except as otherwise provided by this subchapter, a person may not
9 sell, exchange, or lease-purchase a used manufactured home to a
10 consumer for use as a dwelling without providing a written warranty
11 that the home is habitable and, in a form prescribed by department
12 rule, a written disclosure describing the specific conditions of
13 the home and of any appliances that are included in the home.

14 (b) Unless, not later than the 120th [~~60th~~] day after the
15 date of the sale, exchange, or lease-purchase agreement or the 90th
16 day after installation is completed, whichever date is later, the
17 consumer notifies the seller in writing of a defect that makes the
18 home not habitable, any obligation or liability of the seller under
19 this subchapter is terminated. The warranty must conspicuously
20 disclose that notice requirement to the consumer.

21 (c) If negotiations related to the execution of a sale,
22 exchange, or lease-purchase agreement are conducted primarily in a
23 language other than English, the warranty and written disclosure
24 must be provided to the consumer in the language in which the
25 negotiations are conducted.

26 SECTION 4. (a) This Act applies only to the sale, exchange,
27 or lease-purchase of a used manufactured home on or after the

1 effective date of this Act. A sale, exchange, or lease-purchase of
2 a used manufactured home before the effective date of this Act is
3 governed by the law in effect on the date of the sale, exchange, or
4 lease-purchase, and the former law is continued in effect for that
5 purpose.

6 (b) Not later than November 1, 2005, the Texas Department of
7 Housing and Community Affairs shall prepare and make available the
8 disclosure forms required by Section 1201.455(a), Occupations
9 Code, as amended by this Act.

10 SECTION 5. This Act takes effect September 1, 2005.